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JULY 25 1981

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&PM-CASEY; BJT;900
&ADMINISTRATION SAID BUYING TIME ON CASEY
&BY MICHAEL J. SNIFFEN
&AND
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&ASSOCIATED PRESS WRITERS

WASHINGTON (AP) - DEMANDING THAT WILLIAM J. CASEY BE ALLOWED TO REBUT HIS CRITICS; THE REAGAN ADMINISTRATION HAS TEMPORARILY STILLED A CHORUS OF KEY REPUBLICAN SENATORS CLAMORING FOR CASEY'S RESIGNATION AS CIA DIRECTOR.

''THEY HAVE BOUGHT THEMSELVES A WEEKEND;'' SAID ONE SENATE REPUBLICAN SOURCE; WHO ASKED NOT TO BE IDENTIFIED.

WITH SEVERAL INFLUENTIAL REPUBLICANS URGING CASEY TO STEP DOWN; THE 68-YEAR-OLD CIA DIRECTOR ISSUED A STATEMENT FRIDAY VOWING TO LAY TO REST CRITICISMS OF HIS PAST BUSINESS DEALINGS AND MANAGEMENT OF THE CIA.

CASEY SAID HE WOULD PROVIDE HIS REBUTTAL TO THE SENATE INTELLIGENCE COMMITTEE ON MONDAY.

AS CASEY'S STATEMENT WAS BEING ISSUED FROM CIA HEADQUARTERS; THE GOP'S NO. 2 SENATE LEADER; TED STEVENS OF ALASKA; AND COMMITTEE MEMBER WILLIAM V. ROTH; R-DEL.; JOINED COMMITTEE CHAIRMAN BARRY GOLDWATER'S CALL FOR CASEY TO STEP DOWN.

MOREOVER; SENATE MAJORITY LEADER HOWARD BAKER OF TENNESSEE SAID HE WOULD ''BACK UP GOLDWATER IN WHATEVER HE DECIDES TO DO.''

CASEY MUST GO ''FOR THE GOOD OF THE AGENCY;'' SAID STEVENS.

TOURING SENATE OFFICES AS PART OF HIS COUNTEROFFENSIVE LATER IN THE DAY; CASEY WAS ASKED WHETHER HE THOUGHT THE CIA HAD BEEN DAMAGED BY THE FUROR SURROUNDING HIS FUTURE. ''I DON'T THINK THE AGENCY IS THAT FRAGILE;'' HE RESPONDED.

BY THE END OF THE DAY; A HANDFUL OF DEMOCRATS ON THE INTELLIGENCE COMMITTEE AGREED THAT CASEY SHOULD BE GIVEN A CHANCE TO ANSWER ALLEGATIONS AGAINST HIM. THE COMMITTEE STAFF PLANNED TO COMPLETE ITS INTERNAL REVIEW OF CASEY'S BACKGROUND MONDAY AND PRESENT IT AT A CLOSED COMMITTEE MEETING TUESDAY.

SEVERAL DAYS AGO; THE PANEL SENT CASEY FOUR PAGES OF QUESTIONS ABOUT HIS INVOLVEMENT WITH A FAILED NEW ORLEANS FARMING VENTURE CALLED MULTIPONICS INC. AND HIS APPOINTMENT OF AN INEXPERIENCED NEW HAMPSHIRE BUSINESSMAN TO HEAD THE AGENCY'S CLANDESTINE SERVICES.

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SEVERAL TIMES FRIDAY; PRESIDENT REAGAN REAFFIRMED HIS CONFIDENCE IN CASEY; AND WHITE HOUSE AIDES SAID CASEY'S FUTURE DID NOT NECESSARILY DEPEND ON THE COMMITTEE'S CONCLUSIONS ABOUT HIM.

BUT ONE CONGRESSIONAL GOP SOURCE; WHO ALSO ASKED NOT TO BE IDENTIFIED; SAID THE WHITE HOUSE STAFF WAS ''TRYING TO DETERMINE HOW BAD THIS IS AND WHETHER THEY HAVE TO PULL THE PLUG'' ON CASEY.

IN MIDAFTERNOON; CASEY WENT TO THE EXECUTIVE OFFICE BUILDING ACROSS THE STREET FROM THE WHITE HOUSE; BUT DEPUTY WHITE HOUSE PRESS SECRETARY LARRY SPEAKES SAID; ''HE IS NOT SEEING THE PRESIDENT.''

SPEAKES SAID CASEY HAD CALLED WHITE HOUSE STAFF CHIEF JAMES BAKER; AND; WHILE HE DID NOT RELATE DETAILS OF THAT CONVERSATION; THE PRESS SPOKESMAN SAID THE CIA CHIEF ''IS NOT RESIGNING.'' WHILE CASEY HAD BEEN VISITING SENATE OFFICES; JAMES BAKER HAD SPENT THE DAY ON THE TELEPHONE WITH KEY SENATORS.

CASEY'S OUSTER WOULD BE PARTICULARLY PAINFUL TO REAGAN; WHO TURNED TO THE SELF-MADE MILLIONAIRE LAST YEAR TO REVIVE A SAGGING PRESIDENTIAL CAMPAIGN. CASEY BECAME REAGAN'S CAMPAIGN DIRECTOR AFTER THE NEW HAMPSHIRE PRIMARY AND WAS ONE OF HIS FIRST CABINET-LEVEL APPOINTMENTS.

CASEY'S SIX-MONTH TENURE AS CIA DIRECTOR REACHED A CRISIS POINT THURSDAY NIGHT WHEN GOLDWATER SAID HE ALREADY HAD HARMED THE AGENCY ENOUGH TO RESIGN; OR FOR REAGAN TO FIRE HIM.

CASEY'S COUNTERATTACK BEGAN WITH A 2:30 A.M. EDT TELEPHONE CALL FRIDAY TO GOLDWATER. THEY HAD A ''VERY ENERGETIC CONVERSATION'' ABOUT THE ARIZONA REPUBLICAN'S STATEMENTS AT THE NEWS CONFERENCE A FEW HOURS EARLIER; REPORTED TOM GRISCOM; HOWARD BAKER'S PRESS SECRETARY.

GOLDWATER PARTICULARLY CRITICIZED CASEY FOR PUTTING MAX HUGEL; A BUSINESSMAN WHO WORKED WITH CASEY IN THE REAGAN PRESIDENTIAL CAMPAIGN; IN CHARGE OF THE AGENCY'S WORLDWIDE SPY NETWORK. HUGEL RESIGNED ABRUPTLY LAST WEEK AFTER TWO NEW YORK STOCKBROKERS SAID THEY AND HUGEL HAD IMPROPERLY MANIPULATED STOCK IN ONE OF HUGEL'S COMPANIES IN 1974.

AT A CAPITOL NEWS CONFERENCE; STEVENS SAID THERE WERE A NUMBER OF ''MATTERS OF JUDGMENT'' INVOLVING CASEY THAT TROUBLED SENATORS AND THAT HE PERCEIVED THAT A SOLID; BIPARTISAN MAJORITY FROM THE INTELLIGENCE COMMITTEE WANTED CASEY TO STEP ASIDE.

IN THE STATEMENT; CASEY SAID; ''I BELIEVE THAT THE MATERIALS WHICH WILL BE PROVIDED THE COMMITTEE NEXT MONDAY WILL LAY THIS ENTIRE CONTROVERSY TO REST.''

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MEANWHILE; IT WAS REPORTED THAT IN A PERSONAL FINANCIAL STATEMENT PRESENTED TO THE INTELLIGENCE COMMITTEE WHEN HE WAS CONFIRMED; CASEY FAILED TO DISCLOSE RECEIPT AS A GIFT OF A $10;000 INTEREST IN A BUSINESS VENTURE.

THE NEW YORK TIMES; IN TODAY'S EDITIONS; SAID CASEY CLAIMED IN HIS STATEMENT THAT HE HAD NOT RECEIVED ANY GIFTS WORTH MORE THAN $500 IN THE PAST FIVE YEARS.

BUT; THE NEWSPAPER SAID; CARL O. PAFFENDORF; A LONG-TIME CASEY BUSINESS ASSOCIATE; SAID THAT IN NOVEMBER OR DECEMBER OF 1976; HE GAVE CASEY A $10;000 INTEREST IN PENVERTER PARTNERS; A PARTNERSHIP INVOLVED IN DEVELOPING COMPUTER TECHNOLOGY.

PAFFENDORF SAID CASEY GAVE HIM A NOMINAL SUM OF $100; BUT PAFFENDORF CHARACTERIZED CASEY'S INTEREST AS A GIFT. THE TIMES SAID CASEY SAID HE BELIEVED HE HAD PAID ''SOME NOMINAL CONSIDERATION'' FOR THE STOCK AND SO CONSIDERED IT TO BE A PURCHASE AND NOT A GIFT.

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